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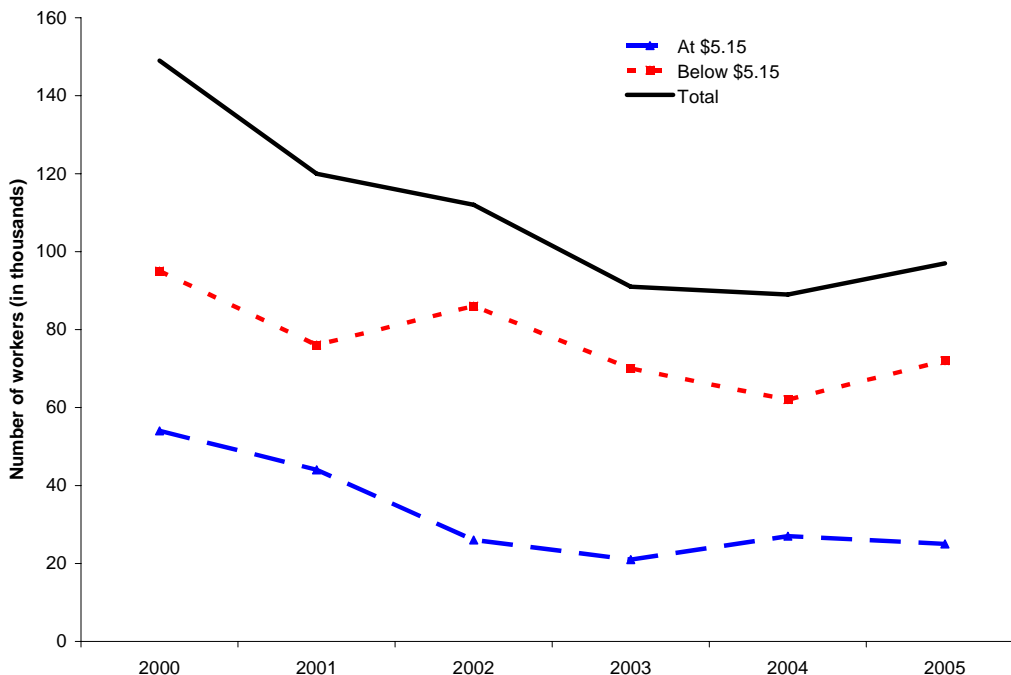
FOR RELEASE:

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MINIMUM WAGE WORKERS IN PENNSYLVANIA: 2005

In 2005, 3.3 million workers in the Commonwealth of Pennsylvania were paid at hourly rates, representing about 60 percent of all wage and salary workers¹, according to the U.S. Department of Labor's Bureau of Labor Statistics. Regional Commissioner Sheila Watkins noted that of those workers paid by the hour in 2005, 97,000 were reported as earning the prevailing Federal minimum wage (\$5.15) or less². (See chart 1.) These workers made up 2.9 percent of all hourly-paid workers in the Commonwealth.

Chart 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage in the Commonwealth of Pennsylvania, annual averages, 2000-2005 (numbers in thousands)



According to Current Population Survey (CPS) estimates for 2005, 75.6 million workers in the United States were paid at hourly rates, representing about 60 percent of all wage and salary workers. Of those paid by the hour, 479,000 were reported as earning exactly \$5.15, the prevailing Federal minimum wage. Another 1.4 million were reported as earning wages below the minimum. Together, these 1.9 million workers with wages at or below the minimum made up 2.5 percent of all hourly-paid workers.

¹ Data are for wage and salary workers, excluding the incorporated self-employed, and refer to earnings on a person's sole or principal job.

² It should be noted that the presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law.

Women accounted for 80 percent (78,000) of the hourly-paid workers who earned the prevailing Federal minimum wage or less in the Commonwealth in 2005, while men accounted for the remaining 20 percent (19,000). (See table 1.) Since 2000, the number of hourly-paid workers earning the prevailing Federal minimum wage or less in the Commonwealth fell by 52,000, with men accounting for 30,000 of the decline and women, the remaining 22,000.

Table 1. Employed wage and salary workers¹ paid hourly rates with earnings at or below the prevailing Federal minimum wage in the Commonwealth of Pennsylvania, by sex, annual averages, 2000-2005

Pennsylvania	At or below \$5.15 per hour (number of workers in thousands)			Median	Mean
	Total	Below \$5.15	At \$5.15		
Total, both sexes					
2000	149	95	54	\$9.84	\$11.38
2001	120	76	44	10.42	12.14
2002	112	86	26	10.70	12.57
2003	91	70	21	11.00	12.96
2004	89	62	27	11.39	13.05
2005	97	72	25	11.39	13.26
Total, men					
2000	49	25	24	10.76	12.46
2001	24	11	13	11.78	13.25
2002	30	25	5	12.06	13.80
2003	26	18	8	12.12	14.03
2004	17	9	8	12.79	14.29
2005	19	15	4	12.90	14.65
Total, women					
2000	100	70	30	8.93	10.32
2001	96	65	31	9.76	11.12
2002	82	61	21	9.77	11.44
2003	65	52	13	10.11	11.99
2004	72	53	19	10.22	11.93
2005	78	57	21	10.15	11.95

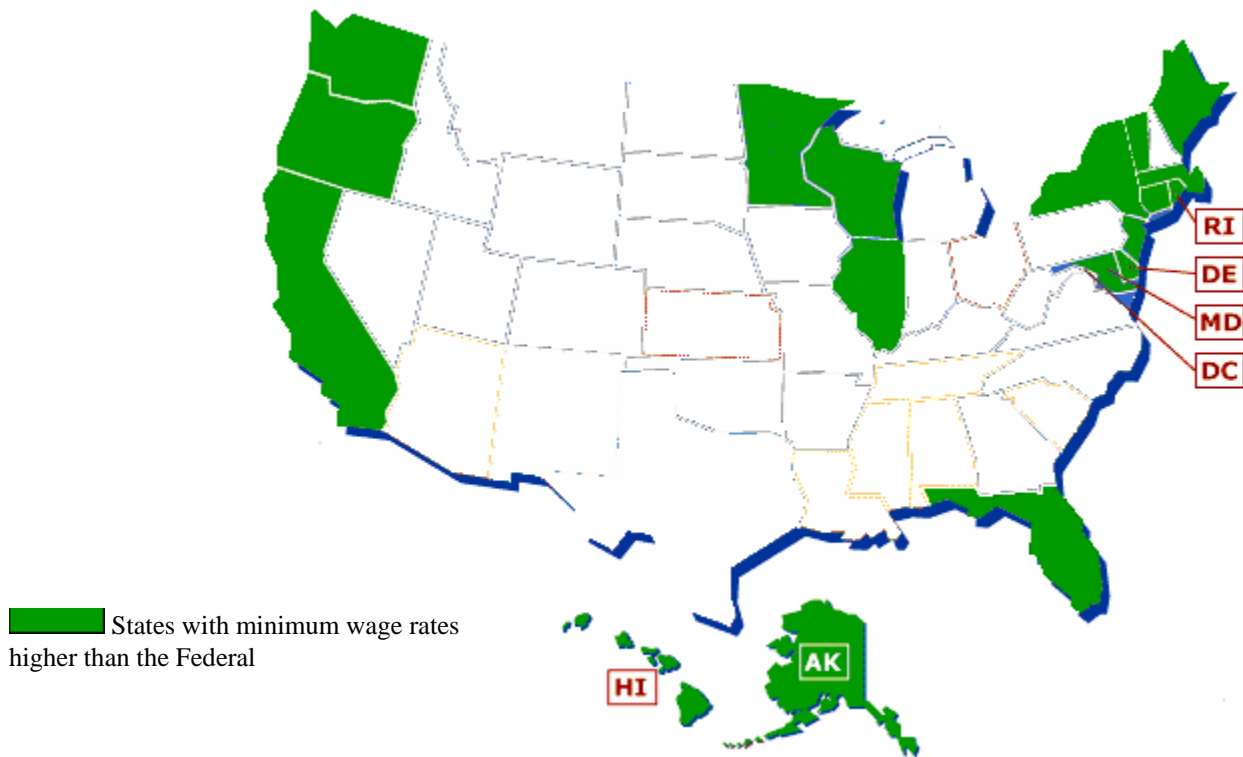
¹ Employed wage and salary workers where paid at an hourly rate. All self-employed persons are excluded, regardless of whether or not their business is incorporated.

Overall, employed wage and salary workers paid hourly rates³ in the Commonwealth had median hourly earnings of \$11.39 in 2005; nationally, the median hourly rate was \$11.19. The median hourly rates for men and for women who are paid on an hourly basis in Pennsylvania in 2005 were \$12.90 and \$10.15, respectively. Nationally, the comparable figures were \$12.16 per hour for men and \$10.31 per hour for women.

Among the 50 states and the District of Columbia in 2005, Oklahoma and West Virginia had the highest proportion of hourly-paid workers earning at or below \$5.15 (4.3 percent each). Alaska, California, and Washington were at the low end, with less than 1 percent earning the Federal minimum or below. The Commonwealth of Pennsylvania was one of 20 states where the percentage fell into the 2.5- to 3.4-percent midrange. (See table 2.) It should be noted that as of March 1, 2006, 19 states had laws establishing minimum wage standards that exceeded the Federal level of \$5.15 per hour.⁴ (See chart 2.)

³ Wages rates in this release use median values. The median is the middle of a distribution: half the scores are above the median and half are below the median. The median is less sensitive to extreme wages than the mean and this makes it a better measure than the mean for highly skewed distributions.

⁴ Minimum wage standards applicable to nonsupervisory *Nonfarm Private Sector* employment under State and Federal laws according to the U.S. Department of Labor's Employment Standards Administration Wage and Hour Division as of March 1, 2006.

Chart 2. States with minimum wage rates above the Federal (\$5.15), March 1, 2006**Technical Note**

The Bureau of Labor Statistics' data on minimum wage earners are derived from the Current Population Survey (CPS), a nationwide sample survey of households that includes questions enabling the identification of hourly-paid workers and their hourly wage rate. Data in this summary are annual averages.

It should be noted that the presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law. Indeed, the relatively large number of workers in the United States with reported wages below the minimum in 2000-2005 includes about 300,000 hourly-paid workers reported as earning exactly \$5.00 per hour; to some extent, this may reflect rounding in the responses of survey participants. Data exclude the incorporated self-employed.

The estimates of the numbers of minimum and subminimum wage workers presented in the accompanying tables pertain to workers paid at hourly rates; salaried and other non-hourly workers are excluded. As such, the actual number of workers with earnings at or below the prevailing minimum is undoubtedly understated. Research has shown that a relatively smaller number and share of salaried workers and others not paid by the hour have earnings that, when translated into hourly rates, are at or below the minimum wage. However, BLS does not routinely estimate hourly earnings for non-hourly workers because of data concerns that arise in producing these estimates. For further information, see Steven Haugen and Earl Mellor, "Estimating the number of minimum wage workers," *Monthly Labor Review*, January 1990 ([PDF](#) 415K).

The prevailing Federal minimum wage was \$2.90 in 1979, \$3.10 in 1980, and \$3.35 in 1981-89. The minimum wage rose to \$3.80 in April 1990, to \$4.25 in April 1991, to \$4.75 in October 1996, and to \$5.15 in September 1997.

Minimum wage information is available through our regional Web site at <http://www.bls.gov/ro3/home.htm> and on our fax-on-demand system. For a catalog of items available to be faxed to you, call our fax-on-demand number at 215-597-4153. If you have additional questions, you can contact the Mid-Atlantic Information Office at 215-597-3282. Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

Table 2. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage by State, 2005 annual averages

State	Number of workers (in thousands)				Percent distribution				Percent of workers paid hourly rates		
	Total paid hourly rates	At or below \$5.15 per hour			Total paid hourly rates	At or below \$5.15 per hour			At or below \$5.15 per hour		
		Total	At \$5.15	Below \$5.15		Total	At \$5.15	Below \$5.15	Total	At \$5.15	Below \$5.15
Total, 16 years and over	75,609	1,882	479	1,403	100.0	100.0	100.0	100.0	2.5	0.6	1.9
Alabama	1,152	36	16	20	1.5	1.9	3.3	1.4	3.1	1.4	1.7
Alaska	192	1	-	1	0.3	0.1	-	0.1	0.5	-	0.5
Arizona	1,396	47	11	36	1.8	2.5	2.3	2.6	3.4	0.8	2.6
Arkansas	700	25	14	11	0.9	1.3	2.9	0.8	3.6	2.0	1.6
California	8,846	82	20	62	11.7	4.4	4.2	4.4	0.9	0.2	0.7
Colorado	1,131	34	9	25	1.5	1.8	1.9	1.8	3.0	0.8	2.2
Connecticut	892	9	1	8	1.2	0.5	0.2	0.6	1.0	0.1	0.9
Delaware	219	4	1	3	0.3	0.2	0.2	0.2	1.8	0.5	1.4
District of Columbia	110	2	-	2	0.1	0.1	-	0.1	1.8	-	1.8
Florida	4,404	117	12	105	5.8	6.2	2.5	7.5	2.7	0.3	2.4
Georgia	2,060	66	14	52	2.7	3.5	2.9	3.7	3.2	0.7	2.5
Hawaii	341	4	-	4	0.4	0.3	-	0.3	1.2	-	1.2
Idaho	415	12	4	8	0.5	0.6	0.8	0.6	2.9	1.0	1.9
Illinois	3,207	77	12	65	4.2	4.1	2.5	4.6	2.4	0.4	2.0
Indiana	1,794	37	6	31	2.4	2.0	1.3	2.2	2.1	0.3	1.7
Iowa	922	20	4	16	1.2	1.1	0.8	1.1	2.2	0.4	1.7
Kansas	770	27	8	19	1.0	1.4	1.7	1.4	3.5	1.0	2.5
Kentucky	1,120	35	9	26	1.5	1.9	1.9	1.9	3.1	0.8	2.3
Louisiana	1,109	42	18	24	1.5	2.2	3.8	1.7	3.8	1.6	2.2
Maine	409	8	1	7	0.5	0.4	0.2	0.5	2.0	0.2	1.7
Maryland	1,318	28	2	26	1.7	1.5	0.4	1.9	2.1	0.2	2.0
Massachusetts	1,666	31	4	27	2.2	1.6	0.8	1.9	1.9	0.2	1.6
Michigan	2,869	88	16	72	3.8	4.7	3.3	5.1	3.1	0.6	2.5
Minnesota	1,593	29	11	18	2.1	1.5	2.3	1.3	1.8	0.7	1.1
Mississippi	664	23	8	15	0.9	1.2	1.7	1.1	3.5	1.2	2.3
Missouri	1,613	56	15	41	2.1	3.0	3.1	2.9	3.5	0.9	2.5
Montana	278	6	4	2	0.4	0.3	0.8	0.1	2.2	1.4	0.7
Nebraska	544	17	5	12	0.7	0.9	1.0	0.9	3.1	0.9	2.2
Nevada	684	19	10	9	0.9	1.0	2.1	0.6	2.8	1.5	1.3
New Hampshire	377	11	2	9	0.5	0.6	0.4	0.6	2.9	0.5	2.4
New Jersey	1,922	40	9	31	2.5	2.1	1.9	2.2	2.1	0.5	1.6
New Mexico	505	18	8	10	0.7	1.0	1.7	0.7	3.6	1.6	2.0
New York	4,186	95	18	77	5.5	5.0	3.8	5.5	2.3	0.4	1.8
North Carolina	2,176	58	13	45	2.9	3.1	2.7	3.2	2.7	0.6	2.1
North Dakota	183	4	1	3	0.2	0.2	0.2	0.2	2.2	0.5	1.6
Ohio	3,403	111	26	85	4.5	5.9	5.4	6.1	3.3	0.8	2.5
Oklahoma	841	36	10	26	1.1	1.9	2.1	1.9	4.3	1.2	3.1
Oregon	959	10	1	9	1.3	0.5	0.2	0.6	1.0	0.1	0.9
Pennsylvania	3,340	97	25	72	4.4	5.2	5.2	5.1	2.9	0.7	2.2
Rhode Island	309	8	-	8	0.4	0.4	-	0.6	2.6	-	2.6
South Carolina	1,073	34	10	24	1.4	1.8	2.1	1.7	3.2	0.9	2.2
South Dakota	240	9	3	6	0.3	0.5	0.6	0.4	3.8	1.2	2.5
Tennessee	1,506	51	17	34	2.0	2.7	3.5	2.4	3.4	1.1	2.3
Texas	5,467	176	55	121	7.2	9.4	11.5	8.6	3.2	1.0	2.2
Utah	677	16	4	12	0.9	0.9	0.8	0.9	2.4	0.6	1.8
Vermont	182	3	-	3	0.2	0.2	-	0.2	1.6	-	1.6
Virginia	1,753	60	22	38	2.3	3.2	4.6	2.7	3.4	1.3	2.2
Washington	1,733	10	1	9	2.3	0.5	0.2	0.6	0.6	0.1	0.5
West Virginia	466	20	10	10	0.6	1.1	2.1	0.7	4.3	2.1	2.1
Wisconsin	1,743	27	5	22	2.3	1.4	1.0	1.6	1.5	0.3	1.3
Wyoming	150	4	1	3	0.2	0.2	0.2	0.2	2.7	0.7	2.0

¹ Employed wage and salary workers where paid at an hourly rate. All self-employed persons are excluded, regardless of whether or not their business is incorporated.

NOTE: Users are reminded that these data are based on a sample and are therefore subject to sampling error; the degree of error may be quite large for less populous States. Dash indicates no data or data that do not meet publication criteria.